

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

For Quarter Ended March 31, 1992

Commission File Number 0-10701

SOONER ENERGY CORP.

(Exact name of registrant as specified in its charter)

British Columbia, Canada

(State or other jurisdiction
of incorporation or organiza-
tion)

Not Applicable

(I.R.S. Employer
Identification No.)

9320 East Central, Suite A

Wichita, Kansas 67206
(address of principal
executive offices)

67206

(Zip Code)

Registrant's telephone number, including area code (316) 636-2667

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period than the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the close of the period covered by this report.

5,499,490 shares of common stock, no par value

106,692 shares of Series A non-voting preferred stock, \$1 par value

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PART II - OTHER INFORMATION

Items 1 - 8 have been omitted since they are inapplicable

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Item 9 - Exhibits and Reports of Form 8-K

No reports on Form 8-K have been filed during quarter ended
March 31, 1992

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SOONER ENERGY CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS	March 31, 1992 (unaudited)	December 31, 1991
Current Assets:		
Cash	\$ 53,987	\$ 33,887
Accounts receivable, trade	<u>26,564</u>	<u>30,819</u>
Total current assets	<u>80,551</u>	<u>64,706</u>
Oil and gas properties, successful efforts method	241,700	239,716
Other	<u>—</u>	<u>25,000</u>
Total Assets	\$ <u>322,251</u>	\$ <u>329,422</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Oil & gas payable	\$ 4,579	\$ 39,089
Trade accounts payable	<u>94,903</u>	<u>41,179</u>
Total current liabilities	99,482	80,268
Stockholders' Equity:		
Series "A" non-voting preferred stock authorized 5,000,000 of \$1.00 par value, issued and outstanding 141,299 shares at both March 31, 1992 and December 31, 1991	108,692	108,692
Common stock, authorized 50,000,000 shares of no par value; issued and outstanding 5,499,490 shares at both March 31, 1992 and December 31, 1991	5,314,622	5,314,622
Deficit	<u>(5,200,545)</u>	<u>(5,174,160)</u>
Total Stockholders' Equity	<u>222,769</u>	<u>249,154</u>
Total Liabilities and Stockholders' Equity	\$ <u>322,251</u>	\$ <u>329,422</u>

SOONER ENERGY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	THREE MONTHS ENDED MARCH 31,	
	1992	1991
Revenue:		
Oil and gas sales	\$ 31,242	\$ 59,958
Other, net	<u>1,432</u>	<u>6,272</u>
Total revenues	\$ <u>32,674</u>	\$ <u>66,230</u>
Costs and Expenses:		
Cost of oil and gas sales	22,570	23,499
Depreciation, depletion and amortization	17,438	13,679
Exploration costs	—	289
General and administrative	18,951	44,970
Interest	<u>100</u>	<u>1,275</u>
Total costs and expenses	\$ <u>59,059</u>	\$ <u>83,712</u>
Loss before extraordinary item	(26,385)	(17,482)
Sale of asset	<u>—</u>	<u>16,230</u>
Net Loss	\$ <u>(26,385)</u>	\$ <u>(1,252)</u>
Income (loss) per share:		
Loss before extraordinary item	\$ —	\$ —
Extraordinary item	<u>—</u>	<u>—</u>
Net loss	\$ <u>—</u>	\$ <u>—</u>
Weighted average number of common shares outstanding	<u>5,499,490</u>	<u>4,157,081</u>

SOONER ENERGY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOW

	THREE MONTHS ENDED MARCH 31,	
	1992	1991
Cash Flows from Operating Activities:		
Net loss from continuing operations	\$ (26,385)	\$ (17,482)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities		
Depreciation, depletion and amortization	17,438	13,679
Net book value of property disposals	—	294
Changes in operating assets and liabilities:		
Accounts receivable	4,255	19,350
Oil and gas payable	(51,010)	(4,920)
Trade accounts payable	53,724	9,094
Net cash (used in) provided by operating activities	(1,978)	20,015
Cash Flows from Investing Activities:		
Retirement of oil and gas properties	—	7,505
Capital expenditures	(2,922)	(24,014)
Maturity of Certificate of Deposit	25,000	—
Net cash provided by (used in) investing activities	22,078	(16,509)
Cash Flows from Financing Activities:		
Payment on bank credit	—	(13,500)
Net cash used by financing activities	—	(13,500)
Net increase(Decrease) in Cash	20,100	(9,994)
Cash at beginning of year	33,887	92,235
Cash at end of period	\$ 53,987	\$ 82,241

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Three Months Ended March 31, 1992 versus
Three Months Ended March 31, 1991

Results of Operations

Oil and gas sales decreased by \$28,716 primarily as a result of a decrease in oil and gas prices. Other income decreased by \$4,840 which was primarily attributable to a decrease in operator fees. Total costs and expenses were \$59,059 versus \$83,712 in the first quarter of 1991, or a decrease of \$24,653. The Company had a decrease in lease operating expense of \$979, while depreciation, depletion and amortization increased by \$3,759. General and administrative expense decreased by \$26,019 and interest expense decreased by \$1,175.

In the first quarter of 1992 our loss before extraordinary item was \$26,385 versus \$17,482 in 1991, resulting mainly from the decrease in oil and gas sales.

Liquidity and Capital Resources

The Company's working capital at March 31, 1992 was \$(18,931) versus \$(84,410) at March 31, 1991 for an increase in working capital of \$65,479.

The Company does not have a formal plan for capital expenditures in 1992 and will continue to depend on internally generated funds as its main source of liquidity, as it has no unused line of credit or any formal arrangements with any lending institution to borrow funds.

Material Transactions

The Company has reached an agreement to exchange stock for certain oil and gas properties held by Bison Energy Corporation (Bison), a Kansas corporation. The properties are located in Oklahoma, and were valued by the independent engineering firm of Lawson and Company at Oklahoma City. Total reserves equal 3,215 barrels of oil and 106,097 MCF of gas.

The stock issued will be restricted, and the transaction is subject to Stockholder and regulatory approval.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SOONER ENERGY CORP.

Date: May 13, 1992

By:

A handwritten signature in dark ink, appearing to read 'Dean Pattisson', is written over a horizontal line. The signature is stylized with a large loop on the left and a cross-like mark in the middle.

Dean Pattisson
Secretary